

NG 98-008

MS 98-008

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NG 98-008

DOCKET NO.

IN THE MATTER OF
NORTHWESTERN PUBLIC SERVICE
COMPANY FOR APPROVAL OF
TARIFF REVISIONS

Public Utilities Commission of the State of South Dakota

MEMORANDA

DATE

6/1/98 *File and Report;*
 6/3/98 *Public filing;*
 6/21/98 *Order approving tariff revision;*
 6/21/98 *Notice of*



Northwestern Public Service
33 Third Street SE
Huron, SD 57350-1605
Telephone: (605) 352-8411
Facsimile: (605) 353-8286

NG 98-008

RECEIVED

SEP 11 1998

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

August 31, 1998

Mr. William Bullard
Executive Director
South Dakota Public Utilities Commission
State Capitol Building
500 East Capitol
Pierre, SD 57501-5070

Re: Gas Transportation Tariff Change - Fuel Retention Percentage

Dear Mr. Bullard:

Enclosed are an original and ten copies of 3rd Revised Sheet No. 6.2 of Section No. 5 of Northwestern's filed Natural Gas Tariff. This filing is made to comply with the fuel retention provisions of Paragraph 7 of the Gas Transportation Tariff General Terms and Conditions. Those provisions call for the retention percentage for the Company's South Dakota distribution system to be adjusted annually, to be effective October 1, based on the actual percentage incurred by the Company for the prior 12 month period ending July 31.

The new fuel retention percentage proposed to be effective October 1, 1998 is .39%. This is a decrease of 1.78% from the currently effective retention percentage of 2.17%. Exhibit A, attached, shows the computation of the actual percentage incurred by the Company for the twelve month period ending July 1, 1998.

Northwestern asks that the proposed retention percentage be approved to be effective October 1, 1998.

Sincerely,

Thomas P. Hitchcock
Manager - Regulatory and Pricing Services

enclosure

SOUTH DAKOTA GAS RATE SCHEDULE

NG 98-008

NORTHWESTERN PUBLIC SERVICE COMPANY
 HURON
 SOUTH DAKOTA
 572

Section No. 5
~~3rd Revised~~ Sheet No. 6.2
 Canceling ~~2nd Revised~~ Sheet No.

CLASS OF SERVICE: Gas Transportation Tariffs
RATE DESIGNATION: General Terms and Conditions

(Con't)

6. Liability:

- (a) General - Gas shall be and shall remain the property of the Customer while being transported and delivered by the Company. The Company shall not be liable to the Customer for any loss arising from or out of Gas Transportation Service while in the Company's system or for any other cause, except for gross or willful negligence of the Company's own employees. The Company reserves the right to commingle gas of the Customer with other gas supplies including propane and liquefied natural gas.
- (b) Insurance - The Customer shall be responsible for determining the extent of and maintaining all insurance it deems necessary to protect its property interest in such gas before, during, and after receipt by the Company.

7. Retention: A Customer or Group Customer, if applicable, shall have the option to choose one of the following methods to apply retention:

Option One (Indexed Based): The value of retention shall be determined by multiplying (i) the monthly average price plus applicable interstate pipeline transportation charges as reported in the BTU's Daily Gas Wire Index for each pipeline (NNG: MidContinent Pooling Point) times (ii) the Retention percentage times (iii) the Deliveries. This value shall be billed monthly. This billing shall represent compensation for Lost and Unaccounted for Gas. The Retention percentage for the Company's South Dakota distribution system is .39% and will be adjusted annually, to be effective October 1, based on the actual percentage incurred by the Company for the prior 12-month period ending July 31. Retention amounts collected under this option will be credited to expense in PGA true-up filings. If the Customer, or Group Customer, does not select one of the options presented in this retention section, retention shall be calculated as stated in this paragraph.

Option Two (Inkind): The Customer, or Group Customer, if applicable, upon written request, may deliver retention quantities inkind. The request shall include the Customer's account number and the meter number of which inkind retention is being requested and shall be delivered to the Company's representative. Upon the Company's acknowledgment of the receipt of the request, the Customer shall be allowed to deliver retention volumes inkind. The Customer shall have the option to have the quantity of transportation gas received from the transporting pipeline reduced, upon delivery to the Customer, by a fixed percentage of .39% (to be adjusted as set forth above), which shall represent compensation for Company-Used Gas and Lost and Unaccounted For Gas. Where fuel reimbursement is inkind, the standard fuel calculation mechanism, as this is related to the nominating process, should be $(1 - (\text{fuel \%}/100))$ multiplied by receipt quantity = delivery quantity.

Date Filed: August 31, 1998

Effective Date: October 1, 1998

R. F. Levendecker
 Issued By: Vice President-Market Development

NORTHWESTERN PUBLIC SERVICE COMPANY

Gas Balancing Statement

Twelve Months Ended July 31, 1998

Exhibit A

MMBtu

Description	9 Mos. Ended 9/30/97	3 Mos. Ended 12/31/97	Year Ended 12/31/97	7 Mos. Ended 7/31/98	7 Mos. Ended 7/31/97	12 Mos. Ended 7/31/98
Gas Sources						
Purchases	5,127,593	2,121,610	7,249,203	3,186,046	4,775,972	5,659,277
Transportation Receipts	972,787	681,650	1,654,437	1,844,208	711,220	2,787,425
Propane Peaking	4,275	0	4,275	20	4,275	20
Total Sources	<u>6,104,655</u>	<u>2,803,260</u>	<u>8,907,915</u>	<u>5,030,274</u>	<u>5,491,467</u>	<u>8,446,722</u>
Gas Uses						
Sales	6,072,892	1,639,190	7,712,082	3,674,417	5,706,031	5,680,468
Transportation Deliveries	943,020	666,858	1,609,878	1,804,189	689,457	2,724,610
Company Use	13,486	2,856	16,342	5,804	13,360	8,786
Total Uses	<u>7,029,398</u>	<u>2,308,904</u>	<u>9,338,302</u>	<u>5,484,410</u>	<u>6,408,848</u>	<u>8,413,864</u>
Lost & Unaccounted For	<u>(924,743)</u>	<u>494,356</u>	<u>(430,387)</u>	<u>(454,136)</u>	<u>(917,381)</u>	<u>32,858</u>
L&U Retention Percentage	<u>3.06%</u>	<u>2.17%</u>		<u>2.17%</u>	<u>3.06%</u>	<u>0.39%</u>

South Dakota Public Utilities Commission

WEEKLY FILINGS

For the Period of August 27, 1998 through September 3, 1998

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact
Dulaine Koibo within five business days of this filing. Phone: 605-773-3705. Fax: 605-773-3809.

MISCELLANEOUS

MS98-001 In the Matter of the Request for a Survey on Utilities' Year 2000 Readiness

The Commission voted to open this docket to determine the status of South Dakota utilities' efforts towards mitigating the potential problems posed by the Year 2000 computer problem. A survey was sent to all utility companies and other interested persons and entities on August 28, 1998. Responses to the survey are due no later than October 1, 1998.

Staff Attorney: Karen Cremer

Staff Analyst: Martin Bettmann

Order Opening Docket was signed on 8/26/98

Responses Due: Not later than 10/01/98

NATURAL GAS

NG98-007 In the Matter of the Filing by MidAmerican Energy Company for Approval of Petition for Extension of Test Period

On August 27, 1998, the Commission received a Petition for Extension of Test Period from MidAmerican Energy Company (Mid American) as it relates to its natural gas service in South Dakota. ARSD 20:10:13:44 requires the use of a test period consisting of 12 months of actual experience ending no earlier than 6 months before the date of filing unless good cause for extension is shown. MidAmerican is contemplating filing a natural gas rate case in November 1998 and respectfully requests the Commission to authorize the use of a calendar year 1997 test period for its possible general rate increase in natural gas rates.

Staff Attorney: Camron Hoseck

Staff Analyst: Bob Knadle

Date Filed: 08/27/98

Intervention Deadline: N/A

NG98-008 In the Matter of the Filing by Northwestern Public Service Company for Approval of Tariff Revisions

Application by Northwestern Public Service Company to update the fuel retention percentage pursuant to its Gas Transportation Tariff General Terms and Conditions. Northwestern Public Service company proposes to update the Gas Transportation fuel retention percentage effective October 1, 1998 based on the actual percentage incurred for the 12 month period ended July 1, 1998.

Staff Attorney: Karen Cremer
Staff Analyst: Dave Jacobson
Date Filed: 09/01/98
Intervention Deadline: N/A

TELECOMMUNICATIONS

TC98-147 In the Matter of the Application of FIBERCOMM, L.C. for a Certificate of Authority to Provide Telecommunications Services in South Dakota

Application by FIBERCOMM, L.C. for a Certificate of Authority to provide local exchange service, intrastate and interstate long distance interexchange telecommunications services in the state of South Dakota. FIBERCOMM, L.C. proposes to provide Internet access, resold wireless services, and other enhanced services within U S WEST exchanges in the state of South Dakota.

Staff Attorney: Camron Hoseck
Staff Intern Analyst: Kylie Tracy
Date Filed: 08/27/98
Intervention Deadline: 09/18/98

TC98-148 In the Matter of the Application of Sioux Falls Cable Television for a Certificate of Authority to Provide Telecommunications Services in South Dakota

Application by Sioux Falls Cable Television for a Certificate of Authority to provide intrastate intraexchange telecommunications services in the state of South Dakota. Sioux Falls Cable Television proposes to initially offer voice messaging and data transmission services and thereafter an increasing variety of telecommunications services on an intraexchange basis only. Initially in Sioux Falls, Crooks, Renner and Mitchell.

Staff Attorney: Karen Cremer
Staff Analyst: Dave Jacobson
Date filed: 08/27/98
Intervention Deadline: 09/18/98

TC98-149 In the Matter of the Complaint filed by Lown House Restaurant, Spearfish, South Dakota, against AT&T Communications of the Midwest, Inc., regarding Consumer Service Issues

Complaint by Lown House Restaurant vs AT&T. Complainant raises a variety of issues regarding service from AT&T. The complainant requests the following relief: "Reimburse the Lown House Restaurant and B&B for realistic business losses in the \$8,000 to \$9,000 range for which I am requesting payment from AT&T and FIRSTEL Communications."

Staff Attorney: Karen Cremer
Staff Analyst: Leni Healy
Date Filed: 08/27/98
Intervention Deadline: NA

In the Matter of the Joint Application of Valley Telephone Company and Park Region Mutual Telephone Company Regarding the Sale of Valley Telephone Company Stock to Park Region Mutual Telephone Company

Park Region Mutual Telephone Company proposes to purchase and Valley Telephone Company proposes to sell the stock of Valley Telephone Company in this joint application. Valley Telephone Company currently serves approximately 180 access lines in West Browns Valley, South Dakota as well as approximately 636 access lines in Browns Valley, Minnesota. Park Region Mutual Telephone Company is an independent telephone company serving six exchanges with approximately 4,100 access lines in Otter Tail County, Minnesota.

Staff Attorney: Karen Cremer

Staff Analyst: Dave Jacobson

Date Filed: 09/03/98

Intervention Deadline: 09/18/98

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**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE FILING BY) ORDER APPROVING TARIFF
NORTHWESTERN PUBLIC SERVICE) REVISIONS
COMPANY FOR APPROVAL OF TARIFF)
REVISIONS) NG98-008

On September 1, 1998, the Public Utilities Commission (Commission) received a filing from Northwestern Public Service Company (NWPS) for approval of revisions to its 3rd Revised Sheet No. 6.2 of Section No. 5 of NWPS' filed Natural Gas Tariff. According to the filing, "This filing is made to comply with the fuel retention provisions of Paragraph 7 of the Gas Transportation Tariff General Terms and Conditions. Those provisions call for the retention percentage for NWPS' South Dakota distribution system to be adjusted annually, to be effective October 1, based on the actual percentage incurred by NWPS for the prior 12 month period ending July 31. The new fuel retention percentage proposed to be effective October 1, 1998 is .39%. This is a decrease of 1.78% from the currently effective retention percentage of 2.17%."

At its regularly scheduled meeting on September 10, 1998, the Commission considered this matter. Commission Staff recommended approval.

The Commission finds that it has jurisdiction over this matter pursuant to SDCL 49-34A-4 and 49-34A-6. The Commission further finds that the filing is just and reasonable and shall be approved. As the Commission's final decision in this matter, it is therefore

ORDERED that the above mentioned proposed tariff is approved and is effective for service rendered on and after October 1, 1998.

Dated at Pierre, South Dakota, this 21st day of September, 1998.

CERTIFICATE OF SERVICE
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.
By: <u>Delaine Kalbo</u>
Date: <u>9/21/98</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner